

Stormwater Utility Scenarios: Town of Canton

Background

The MAPC has determined the amount of impervious surface for each parcel of land in the town, to assist communities who may be interested in considering using a stormwater enterprise fund or stormwater utility to finance their stormwater management obligations.

This fact sheet summarizes the results of this analysis for the town, and includes several preliminary examples of fees that might be associated with various rate structures. The parcel level results of this analysis are also available electronically.

Limitations

This information is offered solely for discussion purposes, and is based on a high level analysis of the data. Before implementing a stormwater utility, the town should review the data more carefully to confirm that all parcels are categorized properly.

Assumptions

This summary is based on the following assumptions:

- Each rate system has been designed to generate \$1,000,000 per year in total annual revenue. If a larger or smaller revenue requirement is desired, the rates can be scaled up one can simply multiply the rates by the appropriate percentage.
- All fees are reported as annual costs
- Simplified land use classifications have been used. Residential includes all types of residential from single family homes to very large apartment complexes. Commercial includes industrial and other non-residential categories. Exempt includes tax exempt properties including nonprofit, state/federal, and municipal. All public roads are excluded from the analysis. Communities may wish to use more detailed category groupings if they pursue adoption of a fee.

Summary of Parcel Data

	Number of Parcels	Average Impervious cover (sqft)	Total Impervious Cover (acres)
<i>Residential</i>	5956	4549	622
<i>Commercial</i>	383	82214	723
<i>Exempt</i>	171	49898	196

Stormwater Utility Rate Structure Scenarios: Town of Canton

Flat Rate

This rate structure would charge all parcels that have any amount of impervious surface the same amount, regardless of how much impervious surface is on the parcel or the category of land use. The fee is calculated by dividing the total town-wide revenue requirement by the number of parcels that have impervious surface.

	Flat Fee
All Parcels	\$154

Proportionate

For this rate structure, each parcel is billed a different amount, which is based on the amount of impervious surface that it contains. It is calculated by dividing the total revenue requirement by the total number of square feet of impervious surface in town to find the charge per square foot, then multiplying by the number of square feet for each parcel. The annual fees for each of the three categories of parcels, residential, commercial, and exempt, are shown below:

Fee per square foot of Impervious Surface: \$0.01

	25th Percentile	Median	75th Percentile	Maximum
Residential	\$34	\$47	\$69	\$4,910
Commercial	\$180	\$569	\$1,531	\$12,881
Exempt	\$13	\$50	\$596	\$13,532

Hybrid

This rate structure uses a uniform average fee for each residential parcel based on the charge per square foot of impervious surface times the average impervious on a residential lot. The other land uses are charged using the proportionate rate, as above. This approach simplifies administration in communities where similarly sized single family homes make up the vast majority of parcels, but recognizes that there is more variation among other types of properties.

	25th Percentile	Median	75th Percentile	Maximum
Residential	\$68	\$68	\$68	\$68
Commercial	\$180	\$569	\$1,531	\$12,881
Exempt	\$13	\$50	\$596	\$13,532

Tiered

This rate structure also uses a uniform average rate for residential properties, but breaks the other land uses down into four tiers, based on the amount of impervious surface. Again, the goal is to simplify administration by using impervious ranges rather than exact square footage. This approach also has the effect of reducing fees for the very largest properties while raising them for smaller properties.

	Tier 1	Tier 2	Tier 3	Tier 4
Residential	\$68	\$68	\$68	\$68
All Other Parcels	\$27	\$201	\$744	\$3,342